

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7051**

**BILL NUMBER:** SB 306

**NOTE PREPARED:** Jan 2, 2006

**BILL AMENDED:**

**SUBJECT:** State Mandate Notes.

**FIRST AUTHOR:** Sen. Sipes

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill requires the General Assembly to attach a state mandate note to bills on final passage that: (1) require the expenditure of funds; or (2) affect revenues; of a school corporation or charter school. It sets forth the required elements of a state mandate note. The bill requires the Legislative Council to establish procedures for making a determination that a bill requires a state mandate note and the preparation of state mandate notes.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** The bill could increase administrative workload for bill preparation. The amount of the increase would depend on the actions of the Legislative Council. The Legislative Council and both houses of the General Assembly are funded with state General Fund dollars.

**Background:** Under its current rules, the Senate requires a fiscal note be attached to every introduced bill, while the House of Representatives does not have this provision in its current rules.

Under the bill, a state mandate note would include the estimated cost of provisions of a bill for a school corporation or a charter school, a determination if a bill creates or enlarges a state mandate, and a determination of whether a new or enlarged state mandate will be funded by appropriation of existing state or local funds or raising new funds. The Legislative Council would establish a procedure for making a determination that a state mandate note is needed and for the preparation of the state mandate notes.

The Office of Fiscal and Management Analysis (OFMA) within the Legislative Services Agency (LSA)

currently prepares fiscal notes providing explanations of state and local expenditures and revenues. LSA is a nonpartisan organization established by IC 2-5-1.1-7.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Legislative Services Agency.

**Local Agencies Affected:**

**Information Sources:**

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